

Exhibit No. 4Date 2/13/09**SB 331 – Prohibit “Pay to Play”** (Sen. Joe Balyeat) Bill No. SB331

Short Bill. I know we're short on time, and heavy on work, so I recruited no proponents for this bill. However, I will have you note the significant bipartisan co-sponsorship. And just in case you can't read some of the handwriting -- When you see a bill with me and Sen. Erickson, Bales and Wanzenried, McGee and Laslovich, Brenden and Cohenour all signing on; it's probably a pretty good idea.

This bill just amends the statute prohibiting pecuniary benefit in exchange for a government favor to also include solicitation of campaign contributions in exchange for a government contract or favor. Current statute talks only about direct pecuniary benefit to yourself personally, and it's not clear whether exchanging government favors for campaign contributions is a violation. Moreover, even with respect to personal pecuniary benefit, current law is pretty poorly worded. If you read the existing language you'll note that it uses past tense, saying that you can't accept personal benefit for "having given" (past tense) a government favor. As I read it that means as long as you take the money ahead of time, and don't give the favor till later, your scot free. And the drafter agreed with that assessment, so in addition to adding "pay to play" campaign contributions into the statute, SB331 also cleans up some of the ambiguous language in the current statute.

Obviously, the current events that have brought this issue to the forefront are the scandals involving Illinois Governor Blagojevich and Alaska Senator Ted Stevens. I've distributed a couple of national articles about the issue, and in fact one article mentions that we're considering this type of legislation here in Montana. You'll note, however, that the articles go on to talk about attempts to limit the amount of campaign contributions. We already have extremely low campaign contribution limits in Montana, so that's not the focus of SB331. The bill instead focuses on the public official who illegally solicits the "Pay to Play" contribution in exchange for an official act. Thus, SB331 avoids the types of free speech issues talked about in the articles.

With that, I'll sit and listen to proponents, opponents, and infoponents, and answer your questions, and reserve the right to close.